LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 7879 NOTE PREPARED: Jan 28, 2003

BILL NUMBER: SB 440 BILL AMENDED:

SUBJECT: Air Pollution Control Board Rules.

FIRST AUTHOR: Sen. Gard BILL STATUS: CR Adopted - 1st House

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State

DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill requires the Air Pollution Control Board to adopt new rules, incorporating federal requirements, by November 1, 2003.

Effective Date: July 1, 2003.

Explanation of State Expenditures: The effect of adopting new rules and voiding existing rules pertaining to Prevention of Significant Deterioration (PSD) construction permits will have an indeterminable fiscal impact upon IDEM.

Minimal, if any, decrease in current permitting activity would occur as a result of replacing the existing rules on PSD with the new federal rules. The federal rules create several new types of approvals (for example, Plantwide Applicability Limits and Clean Unit Exemptions). The number of sources that would seek these types of permits is not known. Consequently, staff resources required to process the permits is also not known. Additionally, the complexity of the permit would effect the amount of administrative effort required.

The federal rules exempt certain projects from permitting review. Whether a project is exempt is to be determined by the source itself. Additional compliance resources will be required to determine whether sources are correctly applying these exemptions.

The rulemaking activity itself will also consume staff resources. The costs associated with conducting the rulemaking activity can presumably be covered with existing resources.

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Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: IDEM

Local Agencies Affected:

Information Sources: IDEM

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